

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL MEMORANDUM**

**SB 1270 – HB 1193**

March 28, 2013

**SUMMARY OF ORIGINAL BILL:** Reduces, from three to two, the number of consecutive school years that the Tennessee Intercollegiate State Legislature (TISL) General Assembly must meet without having to return any state appropriation to the state general fund from the TISL Foundation.

**FISCAL IMPACT OF ORIGINAL BILL:**

NOT SIGNIFICANT

**SUMMARY OF AMENDMENTS (005384, 005776):** Deletes all language after the enacting clause. Requires technology, Internet, Internet connectivity, or e-learning services to be purchased pursuant to an open and fair competitive bidding process in compliance with a local education agency's (LEA) procurement processes and in compliance with all requirements of federal and state laws, rules, and regulations governing the processes in order for an LEA to be eligible to receive Internet funding or Internet connectivity funding. Exempts contracts for energy-related services from the competitive bid process. Authorizes an LEA to negotiate a more favorable, lower price with a vendor.

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENTS:**

**Unchanged from the original fiscal note.**

Assumptions for the bill as amended:

- Requiring technology, Internet, Internet connectivity, or e-learning services to be procured through an open and fair competitive bidding process in compliance with an LEA's procurement processes and in compliance with state and federal rules, laws, and regulations will not have a significant fiscal impact to state or local government.
- No impact to on the BEP formula or state education funding. At the local level, the Department of Education (DOE) is unable to determine what impact on expenditures the bill as amended will have. While exempting from the bid process contracts for energy-

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related services and equipment may increase costs; likewise, it may allow for the LEA to negotiate a more favorable, lower price with the vendor.

- DOE estimates that the overall impact on local expenditures will be not significant.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

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